Approved For Release 12801 03 Half DECATE TO MEDITION REPORT OF NO. 05 PAGES 1

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DATE OF SUPPLEMENT TO REPORT NO.

- 1. Communist authorities in Hunan have tightened their control of farmers. 25X1X In each village a farmers patrol has been organized for the purpose of keeping an eye on the villagers, helping the government administer conscription, and performing sentry duties. There has been an increasing sense of insecurity amongst the people following the Chinese Communist participation in the Korean war.
- 2. Commodity prices have also risen. The value of a silver dollar went up in one day from JMP 11,000 to JMP 22,000. In order to combat inflation, the authorities instructed the local People's Bank to stop the issue of banknotes, and they asked businessmen in Changsha to contribute a sum of JMP 10,000,000,000 within 10 days as a comfort fund for the troops.
- 3. The Changsha Municipal Government has issued a circular to all local factories instructing them to move to areas at least 40 li from the city because of the danger of air raids.

Decument No	
No Change in Class.	
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